

EXHIBIT 1

1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE WESTERN DISTRICT OF OKLAHOMA

3 TAMMY COVINGTON and
4 JEFFREY COVINGTON,

5 Plaintiffs,

6 -vs-

Case No. 19-cv-00718-PRW

7 CSAA FIRE AND CASUALTY
8 INSURANCE, d/b/a AAA FIRE AND
9 CASUALTY INSURANCE COMPANY,
10 INC.,

11 Defendant.

12

13

14

15

16

17

18

19

20

21

22

23

24

25

DEPOSITION OF ALANA HARE
TAKEN ON BEHALF OF THE PLAINTIFFS
ON AUGUST 19, 2020, BEGINNING AT 1:04 P.M.
IN OKLAHOMA CITY, OKLAHOMA

APPEARANCES:

On behalf of the PLAINTIFFS:

Douglas J. Shelton
SHELTON & WALKLEY LAW GROUP
7701 South Western, Suite 201
Oklahoma City, Oklahoma 73139
dshelton@sheltonlawok.com

(Appearances continued on next page)

REPORTED BY: MARCY A. KING, CSR, RPR

1 occurred. And mainly because of moisture, it can
2 make things worse if not properly mitigated.

3 **Q Is there a claim by AAA that the water**
4 **damage was not properly mitigated?**

5 A Well, we know that there was still the
6 presence of moisture. And the reason why we would
7 know that is because the mold and rot underneath
8 the flooring itself. But also in the HVAC closet,
9 that that flooring is deteriorated as well.

10 **Q And is it AAA's position that that**
11 **deterioration was caused by the HVAC drainpipe**
12 **over-flow, and then a lack of mitigation after**
13 **that?**

14 A It was a leak that happened repeatedly
15 or over a period of time, yes.

16 **Q Okay. Well, let's talk about that.**
17 **Because when we were talking about it earlier, we**
18 **agreed that there was a clogged HVAC drainpipe**
19 **that overflowed.**

20 A Correct.

21 **Q Okay? I didn't know that you were**
22 **saying that it overflowed more than once.**

23 A I don't know if it did or didn't. I
24 know that the damage that is present looks like it
25 has been wet for some time.

1 Now, the assumption is is when the
2 water was seen, and the water came out from the
3 closet, that it sitting there, because I don't
4 have photos from when the damage first occurred,
5 that it produced mold and rot.

6 **Q Have the Covingtons made a claim for**
7 **mold damage, to your knowledge?**

8 A They've made a claim for damages, yes.

9 **Q Well, okay. But have they**
10 **specifically, to your knowledge, made a claim for**
11 **mold damage?**

12 A I believe in the mitigation documents
13 there is damage for the subfloor and mold
14 remediation, I believe.

15 **Q Is AAA making a claim that there was a**
16 **delay in the Covingtons making a claim that caused**
17 **prejudice to AAA?**

18 A Yes. That's what the constant repeated
19 exclusion basically speaks to.

20 **Q Okay. So I'm just trying to ferret**
21 **this out.**

22 So what I hear you say is that this
23 nine-and-a-half month period you've got constant
24 damage occurring, or constant or repeated damage
25 occurring at the Covington residence, which

1 A The water that's trapped under the
2 flooring?

3 Q Yes, ma'am.

4 A That water, but not the water that was
5 seen.

6 Q Not the water that was seen?

7 A Yeah. We already know that the water
8 -- it's not hidden because there was water that
9 Mr. Covington walked in to.

10 Q Right.

11 A But you're talking about just this
12 specific --

13 Q I'm talking about the water that was
14 trapped under the flooring and between the
15 barrier, if any. That was hidden, right?

16 A I guess I'm struggling with that.

17 Q Okay. There's layers on this floor,
18 right?

19 A Correct.

20 Q There's what we see, which is bamboo?

21 A Yeah.

22 Q And then there's several -- or at least
23 a couple of other layers that we call the
24 subflooring, right?

25 A Correct.

1 exception; is that right?

2 A No.

3 Q Okay. Well, let's read it together.

4 It says that they "don't insure for a
5 loss caused by constant or repeated seepage or
6 leakage of water, or the presence or condensation
7 of humidity, moisture or vapor over a period of
8 weeks, months or years." Did I read that right?

9 A Correct.

10 Q And then it says, "Unless such seepage
11 or leakage of water or the presence or
12 condensation of humidity, moisture or vapor is
13 unknown to all insureds and is hidden within the
14 walls or ceilings or beneath the floors or above
15 the ceilings of a structure." Did I read that
16 right?

17 A Yes.

18 Q So you have the exclusion, and then --
19 I called it an exception. You don't call it an
20 exception?

21 A No. I just -- it's all part of it.

22 Q Okay. All right. I don't want to
23 label it if you don't agree with it.

24 So we've agreed, though, we have this
25 exclusion?

1 A Yes.

2 Q And it excludes constant or repeated
3 seepage or leakage as stated in here, okay? I'm
4 not going to repeat it every time.

5 A Right. Yeah.

6 Q "Unless that seepage is unknown to all
7 insureds and is hidden beneath the floors," right?

8 A Correct.

9 Q So -- so is it fair to say that the
10 exclusion doesn't apply if that leakage or water
11 is unknown to all insureds and is hidden beneath
12 the floors?

13 A Correct.

14 Q Okay. So if the moisture that caused
15 the damages is unknown to Jeffrey and Mrs.
16 Covington, and was hidden beneath the floors, then
17 this exclusion for constant or repeated seepage
18 doesn't apply; is that fair?

19 A Yes.

20 Q Does AAA have any evidence that the
21 Covingtons had any knowledge of water on the
22 floors or under the floors other than the one day
23 that Jeffrey Covington said that he saw it and
24 cleaned it up?

25 A No.

1 Q Does AAA have any evidence that the
2 Covingtons had knowledge of condensation or water
3 under the floors at any time?

4 A No.

5 Q Does AAA have any evidence that the
6 water or condensation that AAA has talked about in
7 its denial was, in fact, not hidden beneath the
8 floors?

9 A It wasn't hidden beneath the floors.

10 Q I'm sorry?

11 A It was not hidden beneath the floors?

12 Q That's what you're saying?

13 A Yeah. It was visible on the day that
14 Mr. Covington cleaned it up. That would be not
15 hidden under the floors.

16 Q Right. The water that was visible he
17 cleaned up, right?

18 A To the best of his ability, yes.

19 Q Right. And any other water that was
20 there was hidden, correct?

21 A Still present, though.

22 Q Okay. I'm not saying it's not present;
23 I'm saying it was hidden.

24 A But I can't separate the two. I guess
25 in my brain I don't separate the two. It's all

1 related to the same loss.

2 Q Okay.

3 A So I can't separate -- I'm not
4 separating -- in the same loss I'm not going to
5 separate this water because it's visible and this
6 water because it's hidden. It's all related to
7 the same loss.

8 Q Okay. So what you're saying is, is
9 that if it's ever visible, it's never hidden?

10 A Correct.

11 Q Okay. Let's go to Exhibit 10 here.
12 Okay. What I'd like you to look at on Exhibit 10
13 is Section 1 Exclusions. Do you see that?

14 A Yes.

15 Q "We do not insure for a loss caused
16 directly or indirectly by any of the following."
17 And then it goes on from there, right?

18 A Correct.

19 Q And that's on Covington 348.

20 And then if you go to 390, let's see,
21 that's another endorsement, right?

22 A The same endorsement from where the
23 constant repeated seepage is, yes. Mandatory
24 endorsement, right.

25 Q But this one we're talking about the